THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The Board of Cntrol for Cricket in India (BCCI) has never disclosed any taxable income voluntarily as BCCI has claimed exemption of its income under section 10 (23) or section 11 of the Income Tax Act. However, for some years, the BCCI's claim for exemption was not accepted by the Income Tax Department as discussed in paras (c) and (d) below.

(c) Tax demands amounting to Rs. 33.42 crore have been raised against BCCI since Assessment Year 1998-99. An amount of Rs. 4 crore has been paid by BCCI towards these dues. Moreover, tax deducted at source from the income of BCCI has also been adjusted towards the outstanding dues.

(d) BCCI has been claiming exemption from income-tax for its income udner section 10(23) or section 11 of the Income-tax Act, 1961, being an institution/organization with the object of supervision control and encouragement of the game of cricket in India. In the tax-assessments of BCCI for financial years 1997-98 to 1999-2000, the exemption so claimed was denied by the Income-tax Department and tax demands were raised against BCCI. However, the stand of the Department has not been upheld by the Commissioner (Appeals) for financial year 1997-98. Appeals for financial year 1998-99 and 1999-2000 are pending before Commissioner (Appeals). Moreover, in the tax-assessment of BCCI for financial year 2000-01, exemption from income has been allowed by the Assessing Officer. In view of the appeal for financial year 1997-98 having been decided in favour of BCCI, the demands raised by the Department are no being enforced.

(e) In view of the decision of Commissioner (Appeals) restoring exemption from income-tax for the income of BCCI and the fact that the appeals for subsequent two years are pending before Commissioner (Appeals), no action for recovery of taxes is proposed presently.

Loans to farmers

502. SHRI DATTA MEGHE: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the loans given to farmers by District Cooperative Banks and various other credit societies in the country particularly in the Vidarbha region of Maharashtra are limited, rather insufficient, to meet their needs;

(b) if so, the details thereof;

(c) whether it is also a fact that several needy farmers are falling victim to illegally operating money lenders from whom they borrow money for purchase of farm-seeds etc.;

(d) if so, the details thereof; and

(e) the measures taken to check the exploitation of farmers by illegal money lenders and traders?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The Credit Flow from Cooperative Credit Institutions to agriculture and allied activities was Rs. 26959 crores during 2003-04 as against Rs. 23636 crores during 2002-03. District Central Cooperative Banks in Vidarbha Region has disbursed agriculture loan to the tune of Rs. 448.67 crores during 2003-04 as against Rs. 387.98 crores during 2002-03. In addition to Cooperative Credit Institutions, Commercial Banks and Regional Rural Banks also disbursed agriculture credit in the country including Vidarbha Region.

(c) to (e) As per All India Rural Debt and Investment Survey (1991), 34% of Rural Credit is dispensed by non-institutional sources. It is also estimated that the share of credit disbursed by money lenders to agriculture was 17.5%. Several measures have been taken to increase the credit disbursement by financial institutions with a view to minimize the role of money lenders. The announcement made by the Government on 18.6.2004 on agriculture credit also envisaged relief to farmers indebted to money lenders. National Bank for Agriculture and Rural Development (NABARD) and Indian Banks' Association (IBA) have advised the banks that the indebtedness intended to be taken over from the non-institutional lenders may be included as part of the assessment of limits under Kisan Credit Card Scheme.

Cheating by Foreign Companies

503. SHRI DATTA MEGHE: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that certain foreign individuals and entities are making offers of huge money to Indian residents in the garb of helping individuals or schools and hospitals in their business development;

(b) if so, the details in regard thereto;

(c) whether the Reserve Bank of India has taken action against foreign entities, who are cheating people by promising huge sums of money through lotteries and financial assistance to Indian people;

(d) if so, the details thereof; and

(e) whether any measures have been taken to warn the people against operations of such foreign entities?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The acceptance and utilization of foreign contribution or foreign hospitality by certain persons or associations having a definite cultural, economic, educational, religious or social programme is regulated under Foreign Contribution (Regulation) Act, 1976, administered by Ministry of Home Affairs. The information